

MAY 3-1944

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

37

May 2, 1944
R&S dsc - 18

DEPARTMENT STORE CREDIT

MARCH 1944

Instalment accounts outstanding at department stores at the end of March showed little change from February, and amounted to about four-fifths of the year-ago volume. Collections on instalment accounts rose 9 per cent in March, resulting in a collection ratio of 53 per cent, one of the highest on record. Instalment accounts were outstanding, on the average, approximately four and one-half months compared with nearly five and one-half months in March 1943.

Charge accounts receivable increased in March by considerably more than the usual seasonal amount, and at the end of the month were slightly above those for the corresponding date last year. Collections on charge accounts declined 8 per cent, but the collection ratio rose 3 points to 64 per cent. The average period charge accounts were outstanding in March was about 47 days, two days less than in March 1943.

In March, both cash and credit sales showed large increases over the February volume, probably due in part to early Easter buying and to advanced purchasing of goods that were subject to new or increased excise taxes on April 1. Cash sales continued to account for about 62 per cent of the total, and were one-fourth larger than a year ago. Charge-account and instalment sales also showed substantial gains over those for the corresponding month in 1943.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	February 1944 to March 1944	March 1943 to March 1944	
Sales during month			
Cash	+31	+25	
Instalment	+31	+11	
Charge account	+36	+15	
Accounts receivable, end of month			
Instalment accounts	- 1	-22	
Charge accounts	+11	+ 2	
Collections during month			
Instalment accounts	+ 9	-14	
Charge accounts	- 8	- 5	
Ratio of collections during month to receivables at beginning of month			
	March 1944	February 1944	March 1943
Instalment accounts	56	31	31
Charge accounts	64	61	62

DEPARTMENT STORES

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Mar. 1944	Feb. 1944	Mar. 1943	Mar. 1944	Feb. 1944	Mar. 1943	Mar. 1944	Feb. 1944	Mar. 1943
Boston	155	r116	134	65	r53	63	104	r 74	97
New York	150	110	120	81	65	70	98	68	88
Philadelphia	191	134	150	80	r55	65	122	85	103
Cleveland	179	134	150	71	55	59	112	80	99
Richmond	184	137	149	70	47	62	122	88	101
Atlanta	266	213	170	31	77	48	133	102	108
Chicago	176	137	145	60	r46	67	108	83	96
St. Louis	190	r145	147	79	r54	64	117	88	103
Minneapolis	190	147	150	90	78	78	107	82	94
Kansas City	231	r132	181	73	r67	71	118	r 94	108
Dallas	231	268	201	83	62	54	151	115	115
San Francisco	225	r183	176	79	r59	82	118	r 91	104
U. S. Total	183	r140	145	74	57	66	114	84	99

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Indexes; 1941 average = 100						Collection ratios *					
	Instalment			Charge accounts			Instalment			Charge accounts		
	Mar. 1944	Feb. 1944	Mar. 1943	Mar. 1944	Feb. 1944	Mar. 1943	Mar. 1944	Feb. 1944	Mar. 1943	Mar. 1944	Feb. 1944	Mar. 1943
Boston	35	36	48	82	77	80	31	r28	27	57	55	53
New York	51	52	59	76	71	77	28	25	26	53	51	51
Philadelphia	40	40	46	87	74	81	35	29	29	65	r53	63
Cleveland	38	38	46	78	69	76	39	33	33	65	62	63
Richmond	45	45	55	77	70	72	30	25	25	58	55	56
Atlanta	45	44	51	84	80	75	50	21	24	54	54	54
Chicago	35	35	48	82	75	77	45	36	39	72	67	72
St. Louis	35	36	51	82	73	80	42	35	31	69	64	67
Minneapolis	43	44	54	72	r62	68	43	r59	37	80	r74	78
Kansas City	43	45	56	76	r69	80	42	39	33	71	r66	67
Dallas	34	34	45	85	77	82	38	33	28	67	63	62
San Francisco	35	35	53	75	r69	77	42	35	32	71	66	67
U. S. Total	40	41	51	79	72	78	36	31	31	64	61	62

r - Revised.

* - Collections during month as per cent of accounts at beginning of month.

Note: These data are based on reports of about 475 large department stores reporting sales by type of transaction, more than 400 having charge accounts and about 300 having instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.